

**Before the State of South Carolina  
Department of Insurance**

In the Matter of:

**Employers Life Insurance Corporation,**

961 East Main Street  
Spartanburg, South Carolina 29302.

**Order Lifting  
Administrative Supervision**

The South Carolina Department of Insurance brings this matter before me upon review of the business affairs and operations of Employers Life Insurance Corporation (Company).

**STATEMENT OF THE CASE**

My November 7, 2002, Order Imposing Administrative Supervision (the Order) placed the Company under the Department's administrative supervision because the Company was in a hazardous financial condition and its continued operation without that action would have been hazardous to the public. The Order specified that the Company would remain under the Department's administrative supervision for at least six months and until the Company had demonstrated to the Department's satisfaction that the conditions which made that action necessary had been abated. The Order specified the conditions the Company had to meet before administrative supervision could be lifted:

- 1) it demonstrates to the Department's satisfaction that the conditions which have made this action necessary have been abated;
- 2) it infuses the capital necessary to meet and maintain the necessary capital and surplus requirements;
- 3) it provides the Department a comprehensive reorganization plan demonstrating how the company can become more profitable and be a going concern; and
- 4) Employers Life Insurance Corporation must satisfy the conditions outlined above and restore its net worth to at least \$1,800,000, which must be maintained at all times thereafter.

**FINDINGS OF FACT**

1. The Company has provided to the Department the documentation required, including pro-forma balance sheets, income statements, and actuarial opinion, and they have completed the audit using an outside firm.
2. Employers Life has reorganized and streamlined its operation;

3. The necessary capital has been infused to restore the capital and surplus to the minimum statutory requirements; and
4. The Company has filed annual statements that accurately reflect the financial affairs of the Company.
5. The Department has performed an examination with no material exceptions.

### **CONCLUSIONS OF LAW**

After a thorough review of the matter and giving consideration to the Company's compliance with the Order of Supervision, I hereby conclude as a matter of law:

1. The Company has complied with Departmental requirements.
2. The Company is no longer in substantial financial risk.
3. The Company appears to be in compliance with Department guidelines.

### **ORDER**

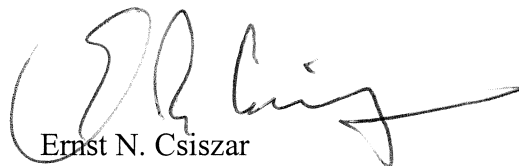
IT IS THEREFORE ORDERED that the company is released from the Department's supervision pursuant to the Administrative Supervision of Insurers Act. S.C. Code Ann. §§ 38-26-10, *et seq.* (2002).

IT IS FURTHER ORDERED that the Supervisor is relieved from the responsibilities of Interim Supervisor of the Company given in the Order.

IT IS FURTHER ORDERED that as a condition of this release, the Company and Department must meet on a quarterly basis within five days of the filing of each quarterly statement.

Pursuant to § 38-26-50 (D) of the South Carolina Code, a copy of this order shall be immediately transmitted to the National Association of Insurance Commissioners and to the insurance departments of all states in which the Company transacts business.

This order becomes effective on the date of my signature below.

  
Ernst N. Csiszar  
Director

June 2, 2003  
Columbia, South Carolina